

**CALIFORNIA FAIR POLITICAL PRACTICES COMMISSION
MINUTES OF MEETING, Public Session**

October 16, 2008

Call To Order: Chairman Ross Johnson called the meeting to order at 10:00 a.m., at 428 J Street, Eighth Floor, Sacramento, California. Chairman Johnson, Commissioners Tim Hodson, Gene Huguenin, Bob Leidigh, and Ray Remy were present.

1. **Public Comment.** This portion of the meeting is reserved for comment on items not on the agenda. Under the Bagley-Keene Open Meeting Act, the Commission cannot act on items raised during public comment, but may respond briefly to statements made or questions posed, request clarification, or refer the item to staff.

There was none.

2. **Approval of the September 11, 2008, Commission meeting minutes.**

Moved by Commissioner Remy and seconded by Commissioner Leidigh to approve the minutes as submitted.

AYES: Commissioners Remy, Huguenin, Leidigh, Hodson, and Chairman Johnson.
The motion passed 5-0.

3. **In the Matter of Michael Herrick, FPPC No. 07/588.** Staff: Political Reform Consultant Jeanette Turvill. Michael Herrick, City of Colusa Planning Commissioner, failed to timely file his 2006 annual statement of economic interests in violation of Government Code Section 87203 (1 count).

Moved by Commissioner Remy and seconded by Commissioner Leidigh to approve a Stipulation, Decision and Order finding a violation of one count and a \$400 monetary penalty.

AYES: Commissioners Remy, Huguenin, Leidigh, Hodson, and Chairman Johnson.
The motion passed 5-0.

4. **In the In the Matter of Maria Fabella, FPPC No. 08/310.** Staff: Political Reform Consultant Jeanette E. Turvill. Maria Fabella, Hazardous Substance Scientist with the Department of Toxic Substances Control, failed to timely file a 2007 annual statement of economic interests in violation of Government Code Section 87300 (1 count).

Moved by Commissioner Remy and seconded by Commissioner Leidigh to approve a Stipulation, Decision and Order finding a violation of one count and a \$200 monetary penalty.

AYES: Commissioners Remy, Huguenin, Leidigh, Hodson, and Chairman Johnson.
The motion passed 5-0.

- 5. In the Matter of Tom Price, FPPC No. 08/307.** Staff: Political Reform Consultant Jeanette E. Turvill. Tom Price, Hazardous Substance Scientist with the Department of Toxic Substances Control, failed to timely file a 2007 annual statement of economic interests in violation of Government Code Section 87300 (1 count).

Moved by Commissioner Remy and seconded by Commissioner Leidigh to approve a Stipulation, Decision and Order finding a violation of one count and a \$200 monetary penalty.

AYES: Commissioners Remy, Huguenin, Leidigh, Hodson, and Chairman Johnson.
The motion passed 5-0.

- 6. In the Matter of Charles “Chuck” Moore, FPPC No. 08/520.** Staff: Political Reform Consultant Adrienne Korchmaros. Charles “Chuck” Moore, Member of the Economic Development Advisory Committee for the City of Yucaipa, failed to timely file a 2008 annual statement of economic interests in violation of Government Code Section 87300 (1 count).

Moved by Commissioner Remy and seconded by Commissioner Leidigh to approve a Stipulation, Decision and Order finding a violation of one count and a \$200 monetary penalty.

AYES: Commissioners Remy, Huguenin, Leidigh, Hodson, and Chairman Johnson.
The motion passed 5-0.

Chairman Johnson asked if anyone in the audience had comments regarding any items on the consent calendar. There were none.

- 7. Adoption of Amendments to Regulations 18703.4, 18730, 18940.2, 18942.1 and 18943 - Biennial Gift Limit Adjustment.** Staff: Commission Counsel Sukhi K. Brar and Assistant General Counsel John W. Wallace. Government Code Section 89503(f) requires the Commission to adjust the Act’s gift limitation on January 1 of each odd-numbered year to reflect changes in the Consumer Price Index, rounded to the nearest ten dollars (\$10). Various regulations are proposed for amendment to reflect the adjusted gift limit amount for the period January 1, 2009 to December 31, 2010.

The Chairman asked if anyone in the audience had comments on this item. There were none.

Moved by Commissioner Huguenin and seconded by Commissioner Remy to approve the amendments for adoption as proposed by staff.

AYES: Commissioners Remy, Huguenin, Leidigh, Hodson, and Chairman Johnson.
The motion passed 5-0.

- 8. Adoption of Amendments to Regulation 18545 – Biennial Adjustment to Campaign Contribution Limits, Voluntary Expenditure Limits, and Officeholder Committee Contribution and Aggregate Contribution Limits.** Staff: Commission Counsel Sukhi K. Brar and Assistant General Counsel John W. Wallace. Government Code Section 83124 requires the Commission to adjust the Act’s contribution and voluntary expenditure limitations for the period January 1, 2009 to December 31, 2010, to reflect changes in the Consumer Price Index, rounded to the nearest \$100 for contributions and \$1,000 for voluntary expenditures. Section 85316 requires the Commission to adjust officeholder committee contribution and aggregate contribution limits for the period January 1, 2009 to December 31, 2010, to reflect changes in the Consumer Price Index, rounded to the nearest \$100. Regulation 18545 is proposed for amendment to reflect the adjusted amounts.

Chairman Johnson asked if anyone in the audience had comments on this item. There were none.

Moved by Commissioner Huguenin and seconded by Commissioner Hodson to adopt the amendments to Regulation 18545 as proposed by staff.

AYES: Commissioners Remy, Huguenin, Leidigh, Hodson, and Chairman Johnson. The motion passed 5-0.

- 9. Adoption of Proposed Regulation 18402.1 and Amendment of Regulation 18427 – Principal Officer: Definition and Reporting Requirements.** Staff: Commission Counsel Brian G. Lau and General Counsel Scott Hallabrin. Staff proposed defining the term “principal officer” and requiring non-candidate controlled committees to disclose the identity of their principal officers on statements of organization and other filings required by Government Code Section 84101.

The Chairman asked if anyone in the audience had comments on this item. There were none.

Moved by Commissioner Hodson and seconded by Commissioner Huguenin to adopt Regulation 18402.1 and the amendment to Regulation 18427 as proposed by staff.

AYES: Commissioners Remy, Huguenin, Leidigh, Hodson, and Chairman Johnson. The motion passed 5-0.

- 10. Prenotice Discussion of Amendments to Regulations 18402 and 18450.3 - Committee Names; Advertisement Disclosure.** Staff: Senior Commission Counsel Hyla Wagner and General Counsel Scott Hallabrin. The proposed amendments to Regulation 18402 would add the candidate’s name, office sought, and year of the election to certain committee names. The changes to Regulation 18450.3 would require that the names of the economic or other special interest of the top donors included in the names of primarily formed ballot measure

committees be listed in descending order based on the amount contributed by the donor.

The Chairman asked if anyone in the audience had comments on this item. There were none.

Moved by Commissioner Leidigh and seconded by Commissioner Huguenin to approve the amendments to Regulation 18402 for prenotice as proposed by staff.

AYES: Commissioners Remy, Huguenin, Leidigh, Hodson, and Chairman Johnson.
The motion passed 5-0.

Moved by Commissioner Remy and seconded by Commissioner Huguenin to approve the amendment to Regulation 18450.3 for prenotice. Staff was directed to work on the language to make the regulation more clear regarding the timeframe for committee name changes and whether it's for the statement of organization or advertisement disclosure.

AYES: Commissioners Remy, Huguenin, Leidigh, Hodson, and Chairman Johnson.
The motion passed 5-0.

11. Prenotice Discussion of Adoption of Regulations 18227.5 and 18247.5 – Definitions of State, County and City General Purpose Committees and Primarily Formed Committees. Staff: Senior Commission Counsel Hyla Wagner and General Counsel Scott Hallabrin. Proposed Regulation 18227.5 would interpret the statutory definition of a state, city, or county “general purpose committee” contained in Section 82027.5, to mean a committee that has fifty percent or more of its activity at that level. Proposed Regulation 18247.5 would interpret the statutory definition of “primarily formed committee” contained in Section 82047.5 to mean a committee that makes seventy percent or more of its contributions or expenditures on a single candidate or measure, or on a group of candidates or measures appearing on the same ballot.

Chairman Johnson asked if anyone in the audience had comments in favor or against Regulation 18227.5. There were none.

Moved by Commissioner Huguenin and seconded by Commissioner Leidigh to approve Regulation 18227.5 for prenotice as proposed by staff, with minor changes on page 1 at lines 4 and 5, changing “(a)” to “(A)” in 3 places, and at lines 12 and 13, changing “(b)” to “(B)” in three places.

AYES: Commissioners Remy, Huguenin, Leidigh, Hodson, and Chairman Johnson.
The motion passed 5-0.

The Chairman asked if anyone in the audience had comments in favor or against Regulation 18427.5. Stephen Kaufman of Kaufman Downing spoke in opposition to this proposed regulation.

Moved by Commissioner Remy and seconded by Chairman Johnson to approve Regulation 18427.5 for prenotice, with the understanding that staff, in addition to the

input within the background discussion and materials, will focus on the issue of the timeframe by which a snapshot would be taken and, secondly, the issue of the threshold by which it would be triggered.

AYES: Commissioners Remy, Huguenin, Leidigh, Hodson, and Chairman Johnson.
The motion passed 5-0.

12. Approval of Campaign Disclosure Manuals. Staff: Technical Assistance Division Chief Carla Wardlow. Staff requested approval of new Campaign Disclosure Manual 6 for Independent Expenditure Committees.

Moved by Commissioner Hodson and seconded by Commissioner Leidigh to approve the new Campaign Disclosure Manual for Independent Expenditure Committees (Manual 6) as proposed by staff, with two changes on page 1-1 as discussed.

AYES: Commissioners Remy, Huguenin, Leidigh, Hodson, and Chairman Johnson.
The motion passed 5-0.

13. Legislative Report. Staff: Commission Counsel Sukhi Brar and Executive Director Roman Porter. As submitted.

Mr. Porter asked the Commissioners to provide him with any ideas they had for legislation for next year that could be reviewed in December.

A motion was made by Commissioner Remy and seconded by Commissioner Huguenin regarding AB 583 (Hancock) to state for the record that this Commission formally opposed the Hancock bill while it was in the legislature on the fiscal grounds that it did not provide adequate funding to the Commission to carry out the responsibilities.

AYES: Commissioners Remy, Huguenin, Hodson, and Chairman Johnson.

NOES: Commissioner Leidigh.

The motion passed 4-1.

12. Litigation Report. Staff: General Counsel Scott Hallabrin. As submitted.

Mr. Hallabrin reported that the court approved the settlement agreement in the *Migden* case.

13. Executive Director's Report. Staff: Executive Director Roman Porter. As submitted.

Mr. Porter introduced Van Vu, the new Assistant Chief Counsel of the Enforcement Division. He also updated the Commission regarding the FPPC budget.

The Chairman recessed open session at 11:25 a.m. and advised the Commission would immediately convene in executive session.

The Commission reconvened in open session at 12:40 p.m. Chairman Johnson advised there were no reportable actions in executive session and, with no further business coming before the Commission, adjourned the meeting at 12:41 p.m.

Dated: October 22, 2008

Respectfully submitted,

Beth Manwaring
Commission Assistant

Approved: _____
Ross Johnson
Chairman